FBIS DAILY REPORT

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76TH IPU CONFERNCE OPENS IN BUENOS AIRES 6 OCT

UK's Montgomery on Relations

PY080252 Buenos Aires TELAM in Spanish 2353 GMT 7 Oct 86

[Text] Buenos Aires, 7 Oct (TELAM) -- British Conservative Representative Vicount Montgomery of Al Alamain this afternoon said that he favors reestablishing relations between Argentina and the United Kingdom, which were broken in 1982 because of the Malvinas Islands conflict. He also pointed out that diplomatic contacts between the two countries are improving at personal and commercial levels.

He considered the visit to the archipelago of Isaias Gimenez, the father of an Argentine pilot who died there during the war, as very positive. Gimenez went to the islands to attend his son's burial over last weekend.

Montgomery considered that the declaration of a cessation of hostilities by Argentina could be considered very important -- although not fundamental -- as a previous step to the restoration of bilateral relations. Montgomery made these comments during the second day of sessions of the 76th conference of the Interparliamentary Union [IPU] in the San Martin Cultural Center of Buenos Aires. The British Conservative parliamentarian agreed with his Labor counterparts, who also have supported the resumption of relations between the two countries.

During today's session, British Labor MP Michael Mcguire pleaded for the resumption of relations between Argentina and Great Britain, and he criticized the foreign policy being followed by Prime Minister Margaret Thatcher's government. Mcguire reaffirmed the need to establish an open dialogue without prerequisites, including the subject of the sovereignty over the islands, as requested by his party.

Playing yo-yo makes more sense than making war, Mcguire said, quoting Prime Minister Winston Churchill. [sentence as received] He even described the 1982 war as senseless.

Changing subjects, the IPU session today made progress on one of its preestablished subjects: the implementation and the improvement of the international humanitarian law regarding armed conflicts. The countries that have made the most remarkable proposals were: Canada, the Nordic countries, Cameroon, Senegal, Iraq, Switzerland, Great Britain, Zimbabwe, Australia, Zaire, Indonesia, and Cuba.

During the IPU's third session tomorrow, the participants will discuss colonialism and the case of the independence of Namibia, as well as the racial discrimination policy of apartheid practiced by the South African Government.

Message to Reagan, Gorbachev

PY080015 Buenos Aires TELAM in Spanish 2242 GMT 7 Oct 86

[Text] Buenos Aires, 7 Oct (TELAM) -- The Interparliamentary Union [IPU] this afternoon urged Soviet leader Mikhail Gorbachev and U.S. President Ronald Reagan to constructively examine those major regional conflicts that are a threat to world peace.

In a letter unanimously approved by its council, the IPU warmly congratulated Gorbachev and Reagan for their upcoming Reykjavik summit and urged them to fully take this opportunity to make progress in promoting world peace.

The IPU Council also voiced its hope that the summit will be instrumental in promoting mutual understanding between the East and the West.

Alfonsin Addresses Congress

PY062115 Buenos Aires Domestic Service in Spanish 1352 GMT 6 Oct

[Opening remarks by Argentine President Raul Alfonsin at the 76th Interparliamentarian Congress in the Colon Theater in Buenos Aires -- live]

[Excerpts] Mr President, delegates, Argentine government authorities: It is a pleasure for all of us who are involved in this revived Argentine democracy to receive the representatives of all the democracies of the world here in Buenos Aires, which has the honor of being chosen to host the 76th IPU conference. [passage omitted]

To be independent means being present in the world with our ethical values, our political beliefs, and our struggle for greater justice. There cannot be a real democracy if there is no independence in exercising foreign policy. The adoption of autonomous national decisions is not only a matter of dignity but an inalienable right of the democratic system. This tight relationship between democracy and the manner in which international relations develop make us aware of the threats that stem from the current international political and economic order. My first conclusion to these foreign influences is prompted by an obvious fact; common sense has declined in the world.

The seriousness of the existing conflicts, the increasing unfairness in the distribution of power and wealth, the irrational way in which terrorists act have such scope that they threaten the existence of a community of nations which respects the rights of each and every one of its members.

Mr President, following the great decolonization process, which started 3 decades ago, new forms of dependency have started to impose themselves creating a new order which only seems to bring new and increasingly unbearable demands on the weakest members of the international community. The consequences are well known: the reduction of the political independence of the less powerful, an increasingly unfair economic order, an unnatural homogenization of the world which neutralizes national individiuality. As a consequence the aspirations for progress and justice seem to be nullified by selfish projects that close the doors to alternatives for a real peace.

The growth of the war arsenal and the forced and unfair distribution of wealth, the violation of the integrity of nations through direct or indirect forms of intervention, terrorism, and the clandestine forms of international action are part of the logic that is currently ruling the world. The justification of this logic appears to be the desire to remain untouched by the effects of the vents prompted by this logic of unsoundness. Because of this some people act as if the wealth and stability of the north has nothing to do with the poverty and instability of the south. As if the peace of the northern hemisphere is not affected by the unrest in the south. As if these two worlds could coexist indefinitely without touching or affecting each other; the world of prosperity and the world of backwardness.

However, we are aware that it is not so. Proof of this are the signs of alarm which ring in the hearts of some of the most developed countries. [passage omitted]

At the beginning of my speech I stated that here is no democracy without national independence, but we are all aware that there is no independence if there is no effective control over the internal political situation in our countries and we are all also aware that this capacity to maintain control can become weaker or even be lost as a consequence of confrontations alien to the interests of the countries in which this happens. Propaganda wars and harassment in our own territories usually polarize our societies and confront our fellow countrymen over issues which usually are alien to their own interests. This global strategic conflict results in the developing country absorbing its own national production. In doing so we become victims, involuntary protagonists in the global strategic conflict, and the regional tension that has thus been created reverts against the most powerful, worsening the threats against their domestic peace and survival. Therefore, we must all make an effort to stop this process. It is a task which demands that we seek the paths which will once again bring us to use some common sense. For this purpose we must, in the first place, dispense with the threat of war. Mr President, the Argentine Government grants nuclear disarmament priority treatment. [passage omitted]

The Argentine Republic, that has no nuclear weapons, like most member countries of the international community, and whose nuclear policy is exclusively geared to the peaceful use of this type of energy, cannot make effective the destruction of nuclear weapons which it does not possess. It is obvious that the destruction of nuclear weapons can only be carried out by the nuclear powers that have the doubtful privilege of possessing nuclear weapons. However, Mr President, my country, like most of the countries of the world, intends to make effective its expressive repudiation over the nuclear arms race and to make effective proposals aimed at eliminating the nuclear race. [passage omitted]

We have been told that the poorest and youngest nations and the old colonies should not and must not seek to achieve development and progress unless such progress and development also serve to strengthen the trade and productive investments of rich countries, of the old powers, and of the metropolis. This is also unfair, because the evolution of the world economic order has revealed that rich countries are able to do what poorer countries cannot do. It is paradoxical that those who established the rules to suit their needs and demands are the first, and for that matter the only countries, to have violated such rules whenever necessary to defend their interests. [applause]

The deterioration of world trade has thus aggravated the developing countries' foreign debt problem. Over the past 5 years, our region's standard of living has dropped to the levels prevailing a decade ago. On the other hand, over the past 4 years the servicing of debt has turned our Latin America into an exporter of capital in excess of $100 billion.

Latin American countries have made an enormous effort to put their economies in order, raise their efficiency, and increase their exports. Yet this effort has been defeated by the raw material price slump on the world market. The logic of unsoundness has once again led us to this absurd crossroads in which our efforts to improve our economies clash with the discriminatory and increasingly protectionist practices imposed by our creditors.

Mr President, delegates: I have expressed some opinions on how we see the world and its most serious problems. As I said before, there is a close relationship between the world and the democratization process that now flourishes in our America. That is why it is paramount to understand why we are committed to a more just world, to independence, to freedom, and to the defense of the principles of international law. This commitment seeks to safeguard the democracy that we have restored in Argentina, a democracy that we admire, a democracy that reflects our allegiance to world peace and justice. Thank you, very much. [applause]

REPRESENTATIVE TO WORK ON RELATIONS IN CHILE

PY071737 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2035 GMT 6 Oct 86

[Text] Buenos Aires, 6 Oct (NA) -- Raul Alconada Sempe, Foreign Ministry under secretary for Latin American Affairs, will travel to Santiago tomorrow, 7 October, heading a delegation of experts. This mission, which some diplomatic sources have termed a mission to "normalize" bilateral relations, will make the arrangements for the second meeting of the Economic Cooperation and Physical Integration Binational Commission.

The official communique issued by the Foreign Ministry refers only to the technical objectives of the trip, but reliable sources have stated that Alconada Sempe will take advantage of his stay in Santiago to "iron out some wrinkles" that have appeared during the past few months in bilateral relations. The communique states the talks will include subjects related to agriculture, bilateral trade, border issues, highway, railway, and land interconnections, and cooperation in the energy field.

Diplomatic sources have stated Alconada Sempe's visit will also serve to "rationalize" bilateral relations which deteriorated in September as a result of a series of events among which was the arrival in Santiago -- on board an Aerolineas Argentinas aircraft -- of a group of Chileans who were living in exile and who were not allowed to return to their country.

Relations were also affected by the Argentine Foreign Ministry's instructions to heads of its missions abroad to refrain from participating in the 19 September celebrations which marked another anniversary of Chilean independence.

Another event which, in the observers' opinion harmed the bilateral relations was the fact that President Raul Alfonsin publicly sympathized with Ricardo Lagos, a Chilean moderate socialist leader who until a few days ago was being held in prison under the state of siege implemented in the neighboring country.,

As a consequence of this series of events, Chilean Ambassador Arturo Fontaine Aldunate and Argentine Ambassador Jose Maria Alvarez de Toledo were summoned for consultations by their respective governments.

The sources stated that the starting point for the normalization of relations was the meeting held in New York by Foreign Ministers Dante Caputo and Jaime del Valle who were attending the UNGA there.

The sources also believe that in addition to the meetings he will hold at an official level, Alconada Sempe will also meet with leaders of the moderate opposition to Pinochet's government, especially those under the Democratic Alliance. The first meeting of the Economic Cooperation and Physical Integration Bilateral Commission was held in Buenos Aires in 1985.

ARMY COMMANDER DENIES SUBVERSIVE RESURGENCE

PY061729 Buenos Aires TELAM in Spanish 1943 GMT 5 Oct 86

[Excerpt] Formosa, 5 Oct (TELAM) -- Army Chief of Staff General Hector Rios Erenu, today dismissed any chance of a subversive resurgence in the country and at the same time denied the existence of any unrest within the branch under his command. Erenu said that, so far, the Army has not expressed displeasure over the situation of its personnel. As is public knowledge, it is putting up with the shortages it is experiencing with stoicism and the spirit of sacrifice, that has always been characteristic of Army men.

Erenu made these statements to the media at the end of a ceremony commemorating the subversive attack on Infantry Brigade 29. The ceremony was held at the San Martin Plaza in this capital and was attended to by Formosa Governor Floro Bogado, and Chaco Governor Florencio Tenev.

The Army commander said discipline prevails within the Army and authority is being fully exercised as we have repeatedly proven in this phase of our newly born democracy. When asked a question, Erenu reiterated that the Army supports president Alfonsin as is befitting and established by the Constitution within the framework of the institutional order established in the country.

Referring to a possible amnesty law regarding the trial of the former military juntas, he said it is a subject that concerns all Argentine citizens and the Armed Forces, but it is currently in the hands of justice. It is a matter of waiting for the country to make a decision and, as I have stated many times, a political problem can only be given an overall political solution.

Erenu said the ceremony held here today had been very emotional and he believes the thing to do now is to keep the memory fresh in order not to make another mistake, to make efforts to achieve the conciliation of the Argentine citizens, to look toward the future of the fatherland, put differences aside, and try to join efforts in order to build a united and great country. [passage omitted]

DIPLOMATIC TIES ESTABLISHED WITH SEYCHELLES

PY032240 Buenos Aires TELAM in Spanish 1916 GMT 3 Oct 86

[Text] Buenos Aires, 3 Oct (TELAM) -- The Argentine Foreign Ministry has released a joint communique, signed in New York, by which the representatives of our country and the Republic of Seychelles yesterday decided to establish diplomatic relations at an ambassadorial level.

The text states that, in order to promote a spirit of mutual understanding and to strengthen the ties of friendship and cooperation between the two nations, both governments will appoint, when they feel it appropriate, concurrent ambassadors.

The Seychelles Islands, a former British colony, are located in the Indian Ocean, southeast of India. The Seychelles Islands are a group of small islands that are characterized by their tropical beauty.

CONGRESSIONAL COMMITTEE RELIEVES POLICE OFFICERS

PY072150 Paris AFP in Spanish 1613 GMT 7 Oct 86

[Text] La Paz, 7 Oct (AFP) -- Interior Minister Fernando Barthelemy today reported that several high-ranking police officers stationed in Santa Cruz, in eastern Bolivia, including Colonel Edgar Bustillos, national director of the Narcotics and Dangerous Drugs Department, have been relieved by order of the congressional committee investigating a drug trafficking and murder case. The minister also stated the suspension is for an undetermined period of time and until the investigation into the Huanchaca case is concluded.

The incident occurred on 5 September in the region of Huanchaca -- located on the border with Brazil -- when a group of drug traffickers murdered scientist Noel Kempf and two of his companions. The police have not arrested the murderers or retrieved the bodies. [sentence as received] A very large cocaine processing and trafficking center was later discovered in Huanchaca. It has been learned the Bolivian police authorities and U.S. DEA agents had known about the center a month before, but they did not proceed to destroy it.

Barthelemy also said the committee has asked for the arrest of: Luis Alarcon, Jorge Roca, Alejandro Pacheco, Ricardo Montes, Tita Roca, Sergio Vaca, and Frenchman Gerard Tabet.

The minister stated that within the next few hours he will travel to Mexico where the continent's interior ministers will meet to evaluate the drug trafficking problem.

DELEGATION MEETS CUBAN FOREIGN MINISTER

PY071428 La Paz La Red Panamericana in Spanish 1130 GMT 7 Oct 86

[Text] A report coming from Havana, Cuba, states: Bolivian Foreign Minister Guillermo Bedregal Guttierrez today stated his government intends to strengthen relations with Cuba. He also recalled that the presence of U.S. military troops in Bolivia will end in December.

Paz Estenssoro's Foreign Minister has reported in a press conference that Bolivia and Cuba have signed three agreements of a consular, cultural, and scientific and technical nature, which represent the cornerstone of a more intense relationship between our countries.

Bedregal Guetierrez, as you know, arrived in Havana last week for an official visit, accompanied by Felipe Sedinic, secretary general of the Bolivian Foreign Ministry; Albert Perez del Castillo, a deputy of the ruling party MNR [Nationalist Revolutionary Movement]; and Miguel Angel Flores, Bolivian charge d'affairs in Havana. The Bolivian delegation held a lengthy meeting with Cuban Foreign Minister Isidoro Malmierca and representatives of the administration at the end of which the agreements were signed.

The latest cable to arrive in the Radio Panamericana press office says Bedregal Guttierrez stated at the informative round of talks that he has expressed the nature of his government to the Cuban Government, inspired by the absolute pluralism of his foreign policy, which is also reflected his international policy. [sentence as heard]

SOCIALIST LEADER ON INTRA-OPPOSITION TIES

PM031102 Barcelona LA VANGUARDIA in Spanish 29 Sep 86 p 8

[Interview with Chilean Popular Democratic Movement Secretary general Manuel Almeyda by Joaquim Ibartz in Santiago; date not given]

[Text] Santiago -- "We are in favor not of an armed struggle against Pinochet but of a political struggle that will lead to a rising. We are aiming not to inflict a military defeat on the regime, because it is impossible, but to defeat it by making Chile ungovernable. We will create ungovernability in Chile. If we paralyze this country we will not need guns to put an end to the dictatorship. These remarks were made by Manuel Almeyda, the supreme internal leader of the Socialist Party -- which is led from abroad by his brother Clodomiro -- and secretary general of the Popular Democratic Movement (MDP), which rallies together the radical Left.

At a time when the country is still in the grip of the strict measures adopted by the military regime under the state of emergency and when, according to official reports, 5,000 security service agents are combing the city in a search for the authors of the attack on Pinochet, Manuel Almeyda talked to me after setting a complicated rendezvous and several checks to ensure that our contacts had not been intercepted by the security service.

"A straightforward dialogue with the regime to reach a peaceful transition is obstructed by Pinochet's stubbornness. There is no force other than the strength of the masses that can make him relinquish power. It is right to rebel against a tyrannical government. In this case violence is legitimate. There is a broad consensus on this, starting with the Catholic Church, as Cardinal Ratzinger acknowledged in the document "Liberation and Violence."

He stressed that the democratic opposition is authorized "by this country" to rebel against tyranny. "However," Almeyda added, "we do not believe in violent actions divorced from the context of the mass struggle. We do not support military confrontations because, for one thing, even with the 3,000 rifles which were mentioned in the cnfused story of the discovered arms caches, you cannot defeat Armed Forces of 200,000 men. To get rid of Pinochet we must achieve genuine unity and not try to impede it or stifle it with details. It would be inappropriate to apply the Gandhi method in Chile: Pinochet scorns peaceful resistance. It would be absurd here to preach the attitude of standing up simply to be killed."

Almeyda, who was a gentle surgeon before joining the political struggle, admits that the attack has caused a setback for the opposition.

"Pinochet has gained some political breathing space because the government has succeeded in driving a wedge of violence and terrorism between the opposition parties. There are Center sectors that reject radical stances of the Left, and this is setting back any chances of success in the struggle."

Asked whether his party, which follows Marxist principles and maintains close cooperation with the Communist Party, defends or justifies the armed struggle being waged by the Revolutionary Left Movement (an MDP member) and the Manuel Rodriguez Patriotic front [FPMR] (considered the armed wing of the Communist Party), Almeyda said that although he condemns terrorism, he considers it "legitimate" for the people to organize to respond to the repression.

He recalled that the violence began in Chile with Allende's murder and has continued over the past 13 years with the repression. "Ever since its foundation the MDP has said that it is not in favor of violence and that it condemns terrorism, but that does not mean that it advocates that the people should submit passively to the government's whims and repression. On the contrary, the MDP has supported the radical struggle leading to ungovernability, which entails organization, mass defense, and the implementation of all measures necessary for preventing the country's normal government. This includes strikes, protests, and demonstrations, which the MDP is well known to advocate."

Asked whether or not the activities of the FPMR guerrilla group facilitate the development of the people's struggle, Manuel Almeyda said that sometimes there are armed activities consistent with this struggle, while in other instances he is not so sure. "I am not sure about the attack on Pinochet. Terrorism of this kind is not the best way to combat the dictatorship. If it had succeeded, the situation would be very different: it might have evolved toward a more favorable situation, but it might not. A fascist government's response is rather unpredictable."

He vigorously rejected the charge often levelled at Almeyda's Socialist Party that it is the least important of the socialist groups. "This lie is spread by those who wish to damage the image of the MDP -- the unitary body with the strongest power of attraction. We have a real political presence, as we showed in the trade union and university elections. They are trying to eliminate us in order to help Nunez' Centrist Socialist Party appear to represent the only viable form of socialism. We believe that the unity of the Left is fundamental to the struggle against the dictatorship and the building of democracy. It is a terrible mistake to try to split the opposition into democrats and nondemocrats, and I do not believe that people calling themselves socialists can fail to understand this."

He acknowledged that the unification of the splintered socialist parties will not occur immediately or even with the return to democracy, because he believes that Center socialism will lose support.

Chilean socialism is not comparable to that of other European or Latin American countries. The Communist Party is different too, because its social representation is different. The understanding between socialists and communists is absolutely fundamental to the Chilean situation. It is impossible to conceive of a real left-wing alternative without an understanding between socialists and communists. Not even Pinochet has been able to destroy this." [no opening quote marks, as published]

According to Miguel Almeyda the precedent of the unification of socialists in Spain in 1976-77 is not applicable to Chile because "the situation is very different." Asked whether he maintains contacts with or receives help from the Spanish Socialist Workers Party [PSOE], he replied, with a sarcastic smile:

"As you know, we are not the party favored by the PSOE, which supports Nunez. We have permanent contacts with various socialist parties abroad but there are no major similarities. The support is enjoyed by our competitors who, as in the case of Nunez' Socialist Party, have performed a regrettable role in the struggle against the dictatorship because they have given a left-wing appearance to the National Accord, thus impeding the unity of the opposition. To no avail, moreover, because the path advocated by Nunez will not lead to the overthrow of the dictatorship."

The Socialist leader said that there is a move within the Armed Forces to leave the political field, while another sector advocates a move away from the one-man dictatorship and favors a pluralist solution instead of an election. Asked whether the MDP would accept a civilian-cum-military transition government, Almeyda said:

"Under such a government we would continue to fight for the demands that we consider just and that constitute a democracy. We would not accept a civilian-cum-military government that did not provide the guarantees of a democratic government. But if Pinochet were to be replaced by a government that did not represent the dictatorship, we would conduct our opposition in a reasonable manner."

He added that in order for such a government to enjoy the slightest legitimacy it would have to resolve certain fundamental problems right away. "To enjoy our support any government would have to eliminate the repressive organizations. This would have to happen immediately".

Manuel Almeyda is very confident that John Paul II's visit to Chile will provide a major opportunity to facilitate a move toward democracy. "The pope's visit will be a crucial time for this country because it will make it easier for the people to wage the struggle against the dictatorship. I do not believe that John Paul II -- a very well informed man -- is coming here to meet pure spirits. Like Jusus Christ, he will have to deal with human beings, and human beings eat, have a right to participate, and want freedom. The pope cannot evade this, and he will also have to broach the issue of exile, since he himself has said that 'exile is an unacceptable evil.'"

ARTICLE LINKS OPPOSITION TO CUBAN PLANNING BOARD

PY040024 Santiago LA TERCERA DE LA HORA in Spanish 28 Sep 86 Supplement p 12

[Unattributed article: "Opposition Politicians May Be Acting as Liaisons for the Revolutionary Coordinating Board" -- passages within slantlines published in boldface]

[Text] The "Revolutionary Coordinating Board," seated in Paris, is responsible for ordering civil disobedience movements, and stoppages in Chile using all the "tools" available in Cuba.

The board has been operating from Paris since 1974. It is the result of the fusion of the MIR [Movement of the Revolutionary Left], from Chile; the ERP [People's Revolutionary Army], from Argentina; the People's Revolutionary Army, from Bolivia; and the Tupamaros from Uruguay.

Fernando Luis Alvarez, from Cuba's DGI [General Directorate of Intelligence], husband of Ana Maria Guevara, who is Che's sister, heads the sector of the board responsible for terrorist cells from different countries and the missions they must carry out.

Of Chilean groups, the MIR is the one preferred by the DGI. As of 1980, MIR militants, who then numbered fewer than 100, claimed responsibility for attacks, particularly bank robberies. For the time being, Cuba limits itself to the training of about 500 MIR militants, who "are contracted" in their country of origin because natives fulfill missions better.

Within this context, the only "formidable" obstacle to the Castroite advance in Chile is the Government Junta headed by President Pinochet.

Experts believe that the intermediaries of this extensive international communist network against Chile are either directly or indirectly connected with Chilean opposition parties.

This would explain the haste in wanting to install an unsuccessful democratic system without waiting for the appropriate conditions and regulations demanded to safeguard the nation's security such as those that are upheld by the government through the new institutionality.

According to these studies, the efforts unleashed by the opposition to impose the slogan "democracy now," to pressure the government through the "civil disobedience" movement, to promote violence through stoppages and protest, or to seek a reconciliation with guerrilla promoters, are all the work and in keeping with the orders of the Revolutionary Coordinating Board.

This explains the misinformation campaign policy which sought to promote a "credibility crisis" for the government regarding the recent introduction of arms into the country. An example of this is the statement made by [Punta Arenas] Bishop Tomas Gonzalez who said in Buenos Aires last August, that the whole affair was "one of the greatest shows ever put on by the Chilean Government." Reporting that the assassination attempt against President Pinochet was also a "show," falls within the same plans.

The introduction of arms into the country and the attack against Pinochet, who is a staunch anticommunist, have a long background linked to the Revolutionary Coordinating Board.

This is proven by the statement made by some political leaders. PDC Leader Andres Zaldivar told Argentine newspaper EL PERIODISTA that "it is not my intention to cause panic but it is dangerous to continue deceiving ourselves. If General Pinochet insists on closing his eyes to the call of the vast Chilean majority which seeks democracy /a clash will be inevitable./ One must be realistic: with his obstinence, Pinochet will lead us to civil war."

Moreover, communist German Correa has said" "We cannot use all our power so that later some gentleman will appear and go to Government House to ask Pinochet if he is convinced that he must leave. No. We must simply act to the last consequence that is, we must be done with the tyranny, and we cannot even think of negotiations if we are to achieve this. (ANALISIS magazine 23 June)

PERUVIAN WAR MINISTER ON ARMS REDUCTION

PY062307 Paris AFP in Spanish 1632 GMT 6 Oct 86

[Text] Santiago, 6 Oct (AFP) -- In a statement published by the Santiago newspaper LA TERCERA, Peruvian War Minister General Jorge Flores said that Peru and Chile must urgently sign a disarmament agreement. Flores was interviewed yesterday in the Chilean city of Arica, near the Peruvian border, during a pilgrimage to the sanctuary of the Catholic Virgin of the Sorrows. The minister was heading a delegation of Peruvian officers who worship the image of the virgin on a rocky hill, 80 km east of Arica.

Talking about war, Flores said the Peruvian Government has started to substantially reduce its armaments in accordance with President Alan Garcia's plans. He added that the current Peruvian policy is to merely replace the equipment necessary for the upkeep of the Armed Forces.

Flores also said progress has been made in the cordial talks on mutual reduction of armaments held by the Chilean and Peruvian military commands. The talks began in 1985 after Chilean President Augusto Pinochet accepted a proposal made by his Peruvian counterpart.

The minister said that general staff officers from the two countries will meet in Santiago by the end of the year, and that Peru heartily wishes that the meeting will yield positive results. He added that he believes that the Chilean people also share the same feeling.

He concluded by saying that an agreement must urgently be reached, that both governments must stop spending huge sums of money to purchase weapons, and that these funds should be used to promote the development of the two countries.

MADRID PAPER INTERVIEWS GENERAL LUIS DANUS

PM606755 Madrid EL PAIS in Spanish 20 Sep 86 p 6

[Interview with Chilean General Luis Danus, governor of Magallanes region, by Antonio Cano; date, place not given]

[Excerpt] [passage omitted] Question: Why did you ask for the death of journalist Jose Carrasco to be clarified?

Answer: I have asked for nothing. In reply to a question from a local journalist about the murder of Jose Carrasco I stated that my desire is that his death be clarified soon, because this kind of crime is attributed to the government, especially by the international press, which frivolously concludes that if an oppositionist is killed, the government must be responsible. They forget that the terrorists are capable of anything, without respecting any moral rule. What else would I have said in reply? That I did not want that death to be clarified, or that I did not wish to express an opinion on the death of a human being? Moreover, the minister of the interior expressed the same opinion and the government has set up special groups of the investigative police to seek the culprits.

Question: Are you concerned about the atmosphere of violence in the country?

Answer: The current atmosphere of violence is comparable to that of the last few days before the military rising.

Question: Is this country at war, as some leaders say?

Answer: Well, it is an unconventional war against the Marxists, but it has been seen, with the discovery of weapons, that an insurrectional war, a civil war, was being prepared.

Failure Against Marxism [subhead]

Question: If the threat of Marxism is so great after 13 years of a military government which says that it came to power in order to combat Marxism it must be concluded that the government has failed. Do you not believe so?

Answer: But the Armed Forces government in Chile is unable to destroy international Marxism, and the fact is that the weapons which are here are from other countries, and many of the fighters had been trained in other countries and were living in other countries. Chile is unable to destroy international Marxism, expecially without the rest of the world's assistance -- rather, with the rest of the world's opposition -- which is incomprehensible to me, especially in the case of the United States. Admittedly, my impression is that the United States has changed its attitude since the discovery of the weapons, and it seems to me that it is an event of such a nature for it to change its attitude if it wants peace and democracy.

Question: Do you not believe that the killing of Carrasco and of other people reveals the emergency of another kind of terrorism?

Answer: I have read this in the press. I really do not know whether the 11 September group is anticommunist -- I have no information -- but, of course, if it were, the law should be applied to it. There is only one law here, and it should be applied to all those who do not observe it, regardless of who it is.

Constitutional Path [subhead]

Question: When and how will Chile recover democracy?

Answer: The shortest and surest path for reaching democracy is that proposed by the government, with elections in 1989-1990. (The 1980 Constitution states that in 1989 the four commanders in chief of the Armed Forces must reach agreement in order to put forward a candidate for the presidency. If agreement is not reached, the candidate will emerge from a lower body, including, among other presiding officers of the institutions, the Inspector of the Republic -- a civilian official responsible for monitoring the government's actions administratively -- and the chairman of the Supreme Court. If the proposed candidate wins popular approval, he will remain in the presidency until 1997. At any event, he will call legislative elections in 1990, from which a president would also emerge, if the proposed candidate were defeated in the referendum.) The other path -- the path of violence -- as well as being highly detrimental, costly, and immoral, will clash with the Armed Forces in their own field. And although the other path -- the path advocated by other parties -- such as making the country ungovernable, civil disobedience, at first sight seems different from the path of violence, they meet at some point. So there remain only the path of violence and the path of the 1980 Constitution -- which, let us not forget, was approved by 67.8 percent of the Chilean people.

Question: Taking the path you mention, will the Armed Forces withdraw completely from power in 1990?

Answer: Rather than completely, I would say they will withdraw in the way laid down in the Constitution -- that is, with some Armed Forces representation on the National Security Council in the performance of its own tasks.

Pinochet, Candidate [subhead]

Question: Do you believe that a civilian or military president would be better for this stage?

Answer: The one elected by the citizens. I cannot say which would be better; it depends on who it is. It is as if you were asking me whether a tall man or a short man would be better.

Question: Do you believe Pinochet should run as a candidate in 1989?

Answer: Ah, that... Not even he comments, so I will do so even less. I simply will not comment on this issue. In fact I do not know whether he will run or not, and I believe he does not know, either.

Question: If the commanders put forward a candidate in 1990 and he is defeated, it will be a defeat for all the Armed Forces. Do you not believe so?

Answer: Well, so far it seems so. I do not know who can answer that question. The Constitution says that it is as you say. I believe that if by chance defeat did occur, the Constitution would have to be observed anyway. It is the only way for civilized people to get along together. However, one way to observe the Constitution -- I am not hinting but stating an actual fact -- is to change the system, but I have no information that it is going to change.

Question: Do you believe that this government is politically exhausted and that defeat is more than likely?

Answer: This government is efficient. This government is good. There was quite a major earthquake here 1 and 1/2 years ago, following two extremely destructive floods, and on the following day all the bridges were repaired. There are other countries in similar circumstances, such as Mexico, where the rubble is still on the ground. This government has been one of the most efficient I have known.

Question: So why is it not carrying on after 1990?

Answer: Well, I am talking about ideas. Undoubtedly the people who are now in power should not be the same people who will be in power from 1989 onward: They should be different; that is why the Constitution defines the stage we are now undergoing as transitional. But some people may remain; perhaps the National Petroleum Enterprise general manager, for instance, will be the same, if he is efficient.

Question: Or General Pinochet, who has said he would like to carry on?

Answer: No, I have never heard him say so.

Question: But he has suggested it.

Answer: No, he has not suggested it. He has never said he would run and has never said the contrary.

Question: Have you maintained any dialogue with opposition groups?

Answer: No. I have not invited them, nor have they attempted to establish dialogue as political parties. However, I have had several contacts in my region with associations, trade unions, and professional bodies which have opposition leaderships in order to discuss their specific affairs, in the belief that if they talk with the authorities they recognize the existing institutional framework.

Question: Do you treat all the opposition groups in the same way?

Answer: I draw an obsolute and categorical distinction between the opposition groups which use violent means and those which do not do so. Those in favor of violence who can be detained committing acts of violence are handed over to the ordinary law courts. There is another opposition group which, without directly preaching violence, has attempted to turn it to account. The policy I apply in this respect is to consider that disagreeing clearly and sincerely with a measure on the part of the regional government cannot be grounds for any action by the latter, although force is resolutely applied against those who act by means of terrorism or by limiting citizens' freedom and rights.

Question: Do you believe it is possible to talk with the opposition?

Answer: Undoubtedly it is possible, and the government has attempted to do so on several occasions, but it happened that on the first occasion they told Pinochet "yes, but the condition is that you quit," and of course he could talk no further. The fact is that the president and the system under which we are living are obviously transitional -- an undemocratic system. I am not trying to say the system under which we live is democratic, because precisely what we want is to achieve democracy, but why should somebody who has popular support and the Armed Forces' support withdraw? Because 3, 4, 100, or 10,000 people say that they do not like the government?

Question: So there is no possibility of dialogue.

Answer: This government's foremost duty is to observe the Constitution, and I believe that the Constitution is our country's only hope -- the only one. It would be very dangerous to throw it away. However, a kind of arbiter must be appointed for better understanding. The supreme arbiter is the people and elections, and I believe it is the 1989 elections which will say who is in control in this country. I realize that not all articles of the Constitution are linked 100 percent, but it is amendable, in accordance with the same system.

Question: What is your opinion of last week's arrest of several opposition leaders, including the Socialist Ricardo Lagos?

Answer: I do not have the information to know why Ricardo Lagos and other people were arrested, but it seems to me that after the discovery of weapons and the attack on the president, the country could not remain indifferent to this kind of thing, could not allow (German) Correa, or (Jose) Sanfuentes, or other people in pro-violence groups of the Popular Democratic Movement (MDP, Marxist Left) to continue to advocate violence. In the case of Ricardo Lagos, it is not in my area and I do not have the information.

Question: How do you view the use of the Army for public order tasks?

Answer: This is different in each region, in accordance with each state of emergency chief. My view is that the Armed Forces should be used after the forces of law and order, in extreme cases.

Question: You should be retiring at the end of the year, and the Pope is visiting Punta Arenas next April. Would you like to be here to receive him?

Answer: Of course I would be delighted to receive John Paul II. I become due for retirement at the end of the year.

I could stay on in the governorship as a retired army officer, like Admiral Pablo Gunderlich in Valparaiso, and I could also remain in the Armed Forces as a supernumerary, provided that I hold some public office.

Question: Would you like to carry on?

Answer: Let us say that I would like to receive the Pope.

Question: Do you believe that Chile is ripe for democracy?

Answer: In general, these Latin American countries are not ripe for democracy, but, relatively speaking, I believe that this is one of the countries ripest for democracy.

NEW LIBERAL REFORMIST PARTY, PRESIDENT ANNOUNCED

PY071749 Santiago EL MERCURIO In Spanish 5 Oct 86 p C7

[Text] It has been announced that the newly established Liberal Reformist [Liberal Reformista] Party will base its political activities on the "Reform Manifesto" issued in 1981 by the Liberal International [LI] among other ideological and doctrinal tenets and documents.

The new party has been established in response to a call made by 400 university students entitled: "The Future of Chile Summons Us," which was issued by Gaston Ureta at the Hotel Carrera in June during a seminar entitled: "A Critical Analysis of Liberal Democracies."

It has been stated that the message of liberal reformism is mainly addressed to Chilean youths to promote a trend of thought that "is not linked to the failure of 1973 in anyway whatsoever."

The new party "intends to eliminate from its actions all those bad habits that are widespread among Chilean political circles and that are not in keeping with the dignity that public office demands."

In conclusion, "the grassroots from the Chilean southern region, particularly from Temuco, where the group is the strongest, and university students, have decided after holding several meetings to name Gaston Ureta president of the party, because of his important liberal activities within the Democratic Alliance, the National Accord, and at the international level."

GOVERNMENT SAYS FARC VIOLATING TRUCE AGREEMENTS

PA052224 Bogota Cadena Radial Super in Spanish 1730 GMT 5 Oct 86

[Text] Bogota -- The Virgilia Barco administration said today that some guerrilla groups and common criminals are taking the law into their own hands and this is intolerable. Carlos Soza Escobar, presidential adviser for rehabilitation and reconciliation, has commented on the possible existence of groups applying this type of justice saying: We will not tolerate them. The government has firmly decided to punish anyone taking upon himself the right to murder citizens.

Soza, who is in charge of talking with the Colombian guerrillas in the search for peace, has also said that the government has reliable information that the communist FARC group has violated the truce. FARC, the largest and oldest rebel movment in Colombia, signed a truce in August 1984, and according to Soza Escobar, is not abiding by the cease-fire agreement. He noted that the government is firm in its position to adopt whatever measures are necessary to guarantee security. He said that a plan aimed at reincorporating rebels into civilian life will be set in motion.

BRIEFS

AMBASSADOR TO UN NAMED -- Former Minister Jaime Castro, who worked as government and justice minister during Belisario Betancur's and Misael Pastrana's administrations, has been appointed new ambassador to the United Nations, replacing former Mayor Carlos Alban Holguin. This information was revealed yesterday during President Virgilio Barco's visit to New York. [Text] [Bogota EL TIEMPO in Spanish 2 Oct 86 p 3 b PA]

ENVOY TO PORTUGAL -- Former National Defense Minister General Miguel Vega Uribe has been appointed ambassador to Portugal, replacing Herman Gonzalez Sorzano. [Summary] [Bogota EL SIGLO in Spanish 23 Sep 86 p 1 PA]

FOREIGN MINISTER CARLOS SALDIVAR ADDRESSES UNGA

PY070255 Asuncion PATRIA in Spanish 4 Oct 86 pp 12, 13

["Text" of speech by Paraguayan Foreign Minister Carlos Saldivar at the UN General Assembly on 3 October]

[Text] Paraguay has come to this assembly in its usual spirit, firmly convinced that the United Nations must play an active, efficient, and pragmatic role to safeguard world peace and security in an atmosphere of order and respect for international law.

We cannot understand the mistaken behavior of some countries, whether large or small, which restricts the possibilities of the United Nations taking action in case of conflicts, turning the organization into a mere observer of world and regional confrontations.

Paraguay is increasingly concerned about the unwise position of those who disregard reason and standard international operating procedures, and who prevent the United Nations from becoming directly engaged in world conflicts. Paraguay has confidence in the United Nations and hopes that it will work even harder for the well-being of mankind.

The Paraguayan people, who are commemorating the International Year of Peace with festivals and ceremonies, enjoy peace and maintain peaceful relations with their neighbors and sister republics. Our peace remains undisturbed because the people and the government are jointly working for our political and socioeconomic development to improve our democracy and the living standards of our people.

The Paraguayan people, who have freely and democratically chosen Army General Alfredo Stroessner as their constitutional president, know that the government is firm and stable, that it respects the Constitution, that it works for peace and for our development, and that no negative force will modify this course. There have been neither uprisings nor fratricidal conflicts.

The low image with which our country has been depicted in the eyes of the international community has improved, and even the most radical adversaries of the government of President Stroessner must admit that he has achieved peace, and that our country is making progress in the effort to build the people's happiness.

The international news media, which in the past received distorted or partial information on our country, has confirmed that elections are regularly held in Paraguay, as established by the Constitution, and that the legislative branch has two chambers with representatives of three political parties recognized by the electoral organ, in a democratic, multiparty system based on the participation of the people. The judicial branch operates freely, respecting the Constitution and the principles of independence of the three branches of government.

Mr President, the report that the secretary general submitted on the work performed by the organization this year is a valuable document that highlights the major aspects of current world problems. It is also a strict evaluation of the organization, of its achievements and frustrations and, above all, of the prospects that the secretary general serenely expects for the future.

We praise the commendable effort that the secretary general has undertaken, and we uphold his thoughtful conclusions, which convey a message of faith and hope to the world.

Paraguay hopes that the United Nations will continue to help maintain world peace and security and that it will become more actively engaged in this talks. To this end, we deem it necessary to strengthen the organization's negotiating power in the case of controversial issues, so that peace may become a feasible objective, and so that the United Nations may protect men and good will from war and destruction.

We have condemned and we still condemn the Soviet invasion of Afghanistan, just as we also condemn the invasion of Kampuchea by Vietnam, which has received the cooperation of a superpower. In both cases, Paraguay has upheld all the UN resolutions calling for the withdrawal of foreign troops and expressing support for the efforts to peacefully settle all conflicts.

With optimism, we are following the efforts the United Nations has been making toward decolonization. In line with our belief in freedom and self-determination, we support that UN policy, provided this policy does not serve interests other than the free expression of the interested communities, with due respect for international law and the principle of noninterference in the internal affairs and territorial integrity of nations.

Therefore, in accordance with the UN Charter and pertinent Security Council resolutions, Namibia is entitled to the right of self-determination and independence.

The universal character of the United Nations is one of its main attributes. It is impossible to conceive the practical effectiveness of this world organization without due regard for its universal character. We, therefore, believe that the Republic of Korea has every right to be a member of the United Nations. This right deserves recognition in view of the peaceful and innovative spirit of the Korean people and Government, and of the respect the Republic of Korea has shown toward the principles of the United Nations in a convulsed area of the world.

We advocate the reunification of the two Koreas through the peaceful means of dialogue and negotiations. We believe that to attain that final objective, both the continuation of direct talks between the two and their admittance as members of the UN Organization can be positive steps.

The Republic of Paraguay, just like the entire American Continent, is concerned about the Central American conflict. We must say here that the conflict has roots outside the region and that the expansionist interests of a major power, which has nothing to do with this part of the world, is playing an important role, provoking reactions from another major power, which cannot let the security of the Western, Christian world be endangered. We thus condemn, in the name of the principle of noninterference in the internal affairs of other countries, the Soviet Union's interference, whether directly or indirectly, in the affairs of the Caribbean and Central America.

Mr President, with legitimate concern, we must say that the world's economic situation gets more worrisome all the time, and that it forebodes serious consequences which can lead the world's financial and commercial order to bankruptcy.

To the old problem of North-South relations, which is based on the continuous decline in the prices of raw materials and the rise of the prices of industrial goods, and the consequent continuous deterioration of the balance-of-payments of developing countries, has now been added the crucial problem of the foreign debt.

The problem is not only an economic and financial problem, the issue is not restricted to the renewal or renegotiation of the foreign debt. The issue involves more than lowering or raising interest rates or amortization installments. The overall problem of the foreign debt has political and social implications of such scope for the developing countries that the highly developed and affluent countries must help to solve them as soon as possible. Only in this way will a major economic recession be averted, keeping the developing countries from sliding into the abyss on the verge of which they now stand.

The Republic of Paraguay is deeply concerned, as it always has been, about a scourge that is affecting all the continents and that, rather then receding, is expanding all the time. We are referring to international terrorism, the unfortunate bane of the modern world, which criminally and mercilessly is felling innocent lives everywhere in the world, under the most unjustifiable pretext or in pursuit of the most whimsical objectives.

We cannot accept that terrorism can be justified by its underlying causes, although we recognize that some of those causes are real. It is time for the nations represented here to join in condemning the wave of terrorism, no matter from where it comes. In this regard, no concessions must be made to any group or country. No fact or phenomenon can justify terrorism for the sake of terrorism, nor cant it justify that some territories should shelter terrorist training camps, or that any country should help the terrorist barbarians through the donation or sale of arms and explosives.

The prestige of the United Nations is at stake on this problem because, it it is not resolved, this organization runs the risk of having the moral and legal foundations of its existence, as well as its role in alleviating the world's problems, undermined.

The Republic of Paraguay, which does not have a seacoast, recently ratified the UN Law of the Sea. It did so in its belief in the justice of the cause of countries without seacoasts, since the law assures not only access to the sea but participation in the exploitation of the sea resources. Paraguay has also reasserted its legitimate right to transit to and from the sea through territories of neighboring countries.

I want to express my country's recognition of the cooperation it is receiving through the UN Program for Development. Unfortunately, this cooperation has been shrinking because of UN budgetary difficulties caused by the reduction of contributions from the rich and industrialized countries. We call on these nations to increase their contributions to that program whose objective is to assist the development of less developed countries.

Mr President, the Republic of Paraguay lives in peace and in cooperation with its neighbors, as attested by the construction of the world's largest hydroelectric plant. I taipu, in cooperation with Brazil; and the Yacy reta hydroelectric plant, which is being built in cooperation with Argentina. Consequently, it hopes that the United Nations can be a more effective spearhead to secure peace and security for the world and the peoples of the earth. It hopes that the work of the organization and its system of agencies can be an effective testimony of solidarity from the economically better off nations with the developing nations and those at a yet lower level of relative development.

Only with such a spirit of unselfish and generous cooperation will we overcome the obstacles still standing in the way of our ultimate goal: Mankind living in peace, in economic and social justice, and in freedom from the constant threats to international peace and security.

Returns From UNGA Meeting

PY071526 Asuncion HOY in Spanish 7 Oct 86 p 9

[Text] Paraguayan Foreign Minister Carlos Augusto Saldivar arrived yesterday from New York. While in New York, he delivered a speech to the U.N. General Assembly in which he explained Paraguay's position [on several issues]

As on previous occasions, the Paraguayan foreign minister discussed the Paraguayan Government's policy regarding some specific international issues. He focused on terrorism and stressed the fact that "Paraguay, which is commemorating the international year of peace, is a country that enjoys peace in a convulsive world."

Upon his arrival at the international airport, the foreign minister told HOY that "from my view point, this was a satisfactory mission in keeping with the instructions I received from the president of the Republic."

Asked whether he had held any meetings with his Latin American colleagues, Saldivar said that he met not only with Latin American foreign ministers, but also with high-ranking U.S. State Department officials.

The foreign minister did not give details about these meetings.

WAVE OF TERRORIST ATTACKS REPORTED IN LIMA, PUNO

PY072137 Paris AFP in Spanish 1743 GMT 7 Oct 86

[Excerpt] Lima, 7 Oct (AFP) -- A terrorist attack, the third in the last few days, has been carried out in the southern Andean region of Puno, resulting in one dead and four wounded policemen. Early this morning in Lima, 11 dynamite sticks exploded in attacks that the authorities have attributed to the Maoist Shining Path guerrillas.

According to the antiterrorist police, the Shining Path attack in Puno, 1,314 km southeast of Lima, was carried out early this morning against a Civil Guard checkpoint. The checkpoint is located outside Puno on the highway that joins it with Juliaca where, during the past 48 hours, two terrorist attacks resulted in three dead and several wounded policemen, and damage caused by explosives to several bank agencies and the townhall.

The wave of Shining Path attacks in Puno -- where this year the Maoist guerrillas are trying to open another battlefront to, according to some experts on the Shining Path, turn the region into another Ayacucho -- has forced the Interior Ministry to relieve the police personnel that are posted in that region. As of 6 October, more than 100 agents, who are experts in countersubversive operations, will be gradually deployed to Puno to reinforce the antiguerrilla operations.

The authorities have also reported that 11 explosions occurred in various parts of Lima. The majority of the attacks were against banks and public offices. [passage omitted]

BRIEFS

CONCURRENT AMBASSADORS APPOINTED -- The Senate has ratified the Executive Branch Decree extending the function of ambassador in one country to that of concurrent ambassador in another country: Ambassador to the Philippines Fortunato Isasi Cayo is appointed as concurrent ambassador to Malasia; Ambassador to Brazil Hugo Palma Balderrama, as concurrent ambassador to Guyana; Ambassador to Austria Jorge Morelli Pando, as concurrent ambassador to Turkey; and Ambassador to Jamaica Victor Fernandez Davila Berisso, as concurrent ambassador to Bahamas. Through the same decree, Jorge Raygada Cauvi is appointed as ambassador to Mexico. [Summary] [Lima EXPRESO in Spanish 12 Sep p 8 PY]

GOVERNMENT 'CONCERNED' ABOUT U.S. TAX ON OIL

PA080200 Caracas Television Service in Spanish 0000 GMT 7 Oct 86

[Excerpt] The Venezuelan Government has expressed its concern over the imminent implementation of a U.S. tax on imported oil. A note was delivered to the U.S. State Department by Venezuelan Ambassador to Washington Valentin Hernandez Acosta. Carlos Fernandez reports:

[Begin Fernandez recording] As President Jaime Lusinchi said yesterday before departing for Madrid, the government is concerned about the support given by a U.S. congressional commission to a proposed tax on imported and domestic crude oil. Therefore, the government has sent a note to the U.S. State Department, and will also send notes to the U.S. Department of Energy and the U.S. National Security Council.

This new tax levies an 11.7 cent tax on each barrel of imported oil, and an 8.2 cent tax on each barrel of domestic or U.S.-produced oil. According to a reliable source from the Energy and Mines Ministry, the money collected through these taxes will be used for a $9 billion environmental protection fund. Of that amount, $2.75 billion would be obtained from oil taxes, while the remainder would be obtained from the U.S. petrochemical industry and from a gasoline tax.

New resources for this fund would be granted every 5 years. However, the situation is serious because this plan would suggest the establishment of an unusual precedent, thereby opening the door to new taxes on oil that would endanger our presence on the U.S. market. The tax approved by a U.S. congressional committee is not the same as the one intended to limit imported crude, which has been a source of anxiety in the past few months. An Energy and Mines Ministry source said: It irritates Venezuela to see that oil is being used to obtain resources and finance deficits.

It was also learned from an excellent source that the tax will not hurt our oil investments in the United States very much. However, this tax has caused some concern and is the reason for the government's reaction because subsequent taxes could also be levied. [end recording] [passage omitted]

DIPLOMATIC RELATIONS ESTABLISHED WITH OMAN

PA052126 Paris AFP in Spanish 0304 GMT 4 Oct 86

[Text] Caracas, 3 Oct (AFP) -- Today the Foreign Ministry reported that the Venezuelan Government has established diplomatic relations with Oman, an oil producing country located in the extreme southeast of the Arabian peninsula. The formalization of diplomatic relations took place by an exchange of notes between the two countries United Nations' representatives. Simultaneously, both ambassadors signed a joint communique in which they outlined that the establishment of relations is to develop cooperation in areas of mutual interest. Oman, even though its economy depends almost entirely on oil, is not a member of OPEC, but has shown interest in collaborating in international market stabilization.

LUSINCHI, DELEGATION VISIT SPAIN

For reportage on President Jaime Lusinchi and his ministerial delegation's visit in Spain, including meetings with King Juan Carlos, Prime Minister Felipe Gonzalez, and congressional officials, see the 7 October 1986 issue of the Western Europe DAILY REPORT and subsequent issues.

NETHERLANDS OFFERS $200 MILLION AID PACKAGE

FL071603 Mexico City NOTIMEX in Spanish 2155 GMT 6 Oct 86

[Text] Mexico, 6 Oct, (NOTIMEX) -- As part of an assistance package, the Netherlands will support Mexico with $200 million because it has confidence in this country, Ambassador of the Netherlands to Mexico Thomas Kasteel has said.

At a ceremony held in Mexico City by the Foundation for Support of the Central American Community and the government of the Netherlands to turn over 18 houses, he said the upcoming meeting of the leaders of the two superpowers will have positive results because both wish to avoid a third world war, which would be catastrophic.

He said the world hopes Ronald Reagan and Mikhail Gorbachev will reach agreement in their meeting, guided by the work of the Group of Six, which has provided good ideas in this regard and ought to be considered.

The diplomat emphasized that, despite the profound ideological differences between the USSR and the United States, arrangements can be worked out, since the fate of the world will be decided there.

In the opinion of Thomas Kasteel, there will not be an intervention by the United States in Central America, but rather, the conflict will have to be resolved by the countries involved with each yielding something.

He stressed that the Contadora Group is the forum providing all the options for an arrangement without being interventionist, and he added that abroad Mexico is considered to be a nation that can be trusted because it has proved it in practice.

SEPULVEDA TO HEAD DELEGATION TO ARGENTINA

PA070322 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 6 Oct 86

[Text] Mexico will hold a second round of talks with an eye to joining the economic integration process initiated by Argentina, Brazil, and Uruguay. The contacts will take place on 20 and 21 October when Mexican Foreign Secretary Bernado Sepulveda visits Buenos Aires. Sepulveda will head the Mexican delegation to the bilateral commission's deliberations with Argentina.

Regarding this visit, the most influential Buenos Aires newspaper published two confidential documents of the Mexican Foreign Secretariat's General Coordinating Board for Economic Affairs. In these documents, Mexico proposes that the integration process be broadened, and asserts the establishment of a free trade guideline could be a starting point. Nevertheless, the idea is for the accords to go beyond the purely commercial environment and that they should contemplate economic, scientific-technical, cultural, and educational cooperation.

The core of the Mexican strategy is for the stronger Latin American economies to establish an economic and diplomatic security network. This network would offer regional support for any country eventually forced to suspend the payment of its foreign debt because of possible reprisals and coercive measures imposed by creditors.

PETRICIOLI ON $6 BILLION CREDIT AFTER IMF MEETING

FL061359 Mexico City NOTIMEX in Spanish 2212 GMT 4 Oct 86

[Text] Mexico City, 4 Oct (NOTIMEX) -- Mexico's Finance and Public Credit Secretary Gustavo Petricioli returned today to Mexico City after participating in the IMF and World Bank Board of Governors annual meeting.

The official indicated that the $6 billion credit granted to Mexico by the international banking industry will be allocated to the modernization of the industrial plant, as well as developing exports and supporting the infrastructure for states and municipalities.

Petricioli Iturbe said Mexico will receive $3.5 billion this year, which does not exceed the $4 billion limit authorized by the Congress of the union.

Interviewed at the hanger of the Bank of Mexico, the official recalled, that in addition to the $6 billion the international banking industry will provide, Mexico will receive in coming years another $5 billion from international financial institutions for a total of $12 billion.

He said agreement had been reached to restructure some $50 billion of the country's foreign debt, contracted prior to 1982, on a 20 year term.

He said he will report to President Miguel de la Madrid next week on the efforts made in Washington and, subsequently, will give broad information to the national media.

PAN Says Stance 'Immoral'

PA061242 Mexico City UNOMASUNO in Spanish 1 Oct 86 p 4

[Text] National PAN [National Action Party] leader Pablo Emilio Madero yesterday said that delaying the foreign debt's payment for at least 20 years, particularly in the way the Mexican Government is negotiating it, is not only immoral but also quite convenient [as published].

The PAN leader has proposed specific action the government should carry out to avoid the request of new loans and, consequently, a higher debt for the country: "What they really have to do is avoid spending so many millions of pesos in electoral campaigns for the PRI candidates, because that is immoral. Likewise, they should not continue to support that gigantic bureaucratic apparatus, also, they should eliminate sinecures [aviadores] in the government's payroll and seriously and thoroughly fight against the government employees' corruption."

Madero criticized the international financial organizations that continue to lend resources "to a government which has proved it excessively spends on unnecessary things and squanders the loans in supporting the government party. If the loans continue, the bankers should be considered as equally responsible for the nation's extreme indebtedness because they give the money to those who do not know how to use the resources that should be destined for the people's benefit."

The PAN leader, nevertheless, admitted the debt should be paid, and agreed with the request to lower the nominal interest rates.

INTERPARLIAMENTARY MEETING WITH COSTA RICA OPENS

PA071431 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 6 Oct 86

[Text] Mexican Senate leader Antonio Riva Palacio opened the first Mexico-Costa Rica interparliamentary meeting and expressed hope that fruitful accords will emerge from this meeting, solidifying Latin American integration and making progress toward peace with social development in Central America.

The Costa Rican delegation, headed by Deputy Rosemary Kazinsky, president of the Legislative Assembly, voiced its sympathy for the Contadora Group's negotiation efforts and expressed confidence that the various interests can be harmonized for peace in Central America. The Costa Rican representatives also proposed that 30 percent of the oil revenues Mexico and Venezuela receive through the San Jose Pact be budgeted for social development and not just for research on new energy sources.

The meeting opening today is the first of a series of visits to Mexico by Costa Rican officials, which will conclude on 15 December when President Oscar Arias Sanchez meets with Mexican President Miguel De la Madrid. Costa Rican Foreign Minister Rodrigo Madrigal Nieto will visit Mexico by the end of October, while Energy Minister Alvaro Umana will visit in November.

BRIEFS

MICHOACAN MARIJUANA DESTRUCTION -- Morelia, 28 Sep -- Brigadier General Manuel Lomeli, commander of the 21st Military Zone, has reported the result of the operations against the cultivation of marijuana and poppy in Michoacan state. He said since August, 2,979 marijuana and poppy fields have been found and destroyed and that 36 people involved in this activity have been arrested. [Summary] [Mexico City EXCELSIOR in Spanish 29 Sep 86 p 4 PA]

NAVY REINFORCES SURVEILLANCE -- The Mexican Navy has announced it will reinforce its surveillance along the Mexican coast and waters. Navy personnel have begun several operations aimed at preventing drug trafficking and illegal fishing. The Navy Operations Office has ordered that all Navy zones and sectors be alert to any emergency reported on the high seas because the bad weather season is beginning. The bad weather is also used by the drug traffickers to move their illegal merchandise. [Summary] [Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 29 Sep 86 PA]

PEMEX CONFIRMS PETROLEUM FIELD -- PEMEX has announced it has found a new marine area with important petroleum deposits. This new area is located next to Campeche Sound, but close to the coast, off Frontera, Tabasco State. Its existence was confirmed after the Luna and Puerto Ceiba fields were found to be productive. The new marine petroleum area had been included in Mexico's probably reserves category; its confirmation will now increase the country's proven reserves. [Text] [Mexico City Red Nacional 13 Imevision Television Spanish 020300 PA]

COSTA RICA

PINTO SAYS PLANE DID NOT LEAVE FROM COUNTRY

PA080224 San Jose Radio Reloj in Spanish 0100 GMT 8 Oct 86

[Excerpt] [passage omitted] The DC-3 [as heard] airplane shot down by the Sandinists barely 10 km from the Costa Rican border, did not leave from Costa Rican territory, Deputy Naitonal Security Minister Colonel Rogelio Castro Pinto has confirmed. He added that, according to internal investigations, no overflights have been reported near the Nicaraguan border in recent days.

The National Security Ministry does not know why the airplane, which was to bring supplies to the Nicaraguan counterrevolutionaries, was flying so near Costa Rican territory.

Col Castro Pinto said the airplane could have entered [Nicaragua] from any point; that is, from an ocean route, and that it could have come from Honduras. However, the aircraft's origin is still a mystery for our country's security authorities, according to explanations given.

Col Rogelio Castro Pinto said the National Security Ministry will always reject the principle of neutrality, referring to the controls on the anti-Sandinist counterrevolution in our country. Based on that principle, he denied reports saying the airplane downed by the Sandinists had left from Costa Rican territory. He added that the National Security Ministry has orders to respect neutrality at all times and that this order has been conveyed to the posts along the border.

EL SALVADOR

ARMY DENIES 'ANY LINK' WITH DOWNED PLANE

PA071942 Paris AFP in Spanish 1856 GMT 7 Oct 86

[Text] San Salvador, 7 Oct (AFP) -- Today, the Salvadoran Army denied having "any link" with the plane shot down on Sunday in Nicaragua with supplies for the anti-Sandinists.

The plane, with "U.S. mercenary" pilots, may have taken off from El Salvador, according to reports that circulated yesterday in Managua. The chief of the Salvadoran Coprefa, Colonel Salvador Hernandez, told AFP that "it is not our plane, and we only know what the news agencies are reporting."

On the other hand, a Foreign Ministry spokesman said that, so far, the military has not received any official report from the Nicaraguan Government concerning this case.

Meanwhile, U.S. Embassy sources told AFP the American Euguene Hasenfus, who was captured in Nicaragua because he was travelling in the plane that was shot down, does not belong to the group of U.S. advisers stationed here "and has not had any connection with the embassy."

HONDURAS

COLONEL MOLINA COMMENTS ON ASSIGNMENT AS ATTACHE

PA061749 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 6 Oct 86

[Report on press conference held by Colonel Hector Aplicano Molina at the airport in Tegucigalpa; date not given]

[Text] Before leaving the country as a diplomatic exile, Colonel Hector Aplicano Molina denied there has been any insurrection within the Armed Forces. In keeping with strict military discipline, Col Aplicano Molina said there are no discrepancies within the Armed Forces.

There is unity among us, and my new appointment in Chile is another post I will occupy within the institution, Aplicano Molina said, trying to minimize his current situation. However, it is known he was under surveillance by military intelligence since last Friday. Several agents accompanied him to the airport, and there were even reports of an attempt against his residence Friday night. Here is a report on his statement at the airport in Tegucigalpa, prepared by journalist Miriam Mercado.

[Begin recording] [Aplicano Molina] I have been appointed military attache to the Republic of Chile. First, I will visit my relatives in the United States while I wait for the Chilean Government's approval. All my family is in [name indistinct].

[Mercado] However, Colonel, it was confirmed that Friday night your house was surrounded by policemen.

[Aplicano Molina] Yes, some members of Military Intelligence were there to give me protection. They have done a very good job, have accompanied me today, and that is all [words indistinct].

[Mercado] However, some of your neighbors reported your house was machinegunned last Tuesday.

[Aplicano Molina] I understand someone passed by the residence last Tuesday and fired twice at the house, but that it was not possible to arrest the attackers.

[Mercado] Colonel, is your departure from the country related to last week's insurrection within the Armed Forces?

[Aplicano Molina] No. There has been no insurrection within the Armed Forces. There are no differences among us; we are all united. Each one of us has his duties, and this new appointment is just another one within the Armed Forces.

[Mercado09 Are these frequent changes harmful for the Armed Forces?

[Aplicano Molina] Well, I have always said the commander in chief is responsible for making the changes he considers convenient for the institution.

[Mercado] Colonel, do you really think the Honduran people can believe the situation within the Armed Forces is quiet and normal after these recent developments?

[Aplicano Molina] We have a [words indistinct] and very competent officers within the Armed Forces who are qualified for those positions.

[Mercado] Are you resentful, Colonel? We have seen your wife crying as she leaves Honduras.

[Aplicano Molina] No. My family [words indistinct] are crying because they are sad to leave the country on a new assignment, and because they must say goodbye to their relatives. However, I have no resentment. This is an appointment as any other one with the Armed Forces.

[Mercado] Colonel, could you tell us if, as you leave Honduras, you have already been officially appointed military attache for the Republic of Chile?

[Aplicano Molina] I have received a document from the Foreign Ministry signed by the president of the republic appointing me military attache in Chile.

[Mercado] Will these changes have any repercussions on Honduran-U.S. relations?

[Aplicano Molina] No. Honduras is a sovereign country; the Armed Forces have a good commander. In addition, they have an excellent group of officers who are ready to express their views regarding any matter affecting their country.

[Mercado] Do you consider your appointment as military attache in Chile a golden exile [exilio dorado]?

[Aplicano Molina] No. I will not be in exile. The truth is that it is an appointment as any other within the Armed Forces, where there are many posts including those of commanders, military attaches, and directors of schools. There must be someone in charge of each function, and I was given this new assignment.

[Mercado] Colonel, is it true that all your fellow graduates from the fifth promotion want to become commanders of the Armed Forces?

[Aplicano Molina] All officers hope to become commanders one day. Some of them have already occupied high positions and have made a good career. Of course, all of us cannot become general commanders of the Armed Forces; only one can. [end recording]

Colonel Said Speer Departs

PA062003 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 6 Oct 86

[Text] Colonel William Thomas Said Speer, former commander of the Armored Cavalry Regiment, Recablin, and who not long ago was considered a powerful man, was flown to Miami Saturday on a special Honduran Air Force flight under strict security measures.

We must mention that Col Said Speer was already on the passenger list of a TAN [Transportes Aeros Nacionales, S.A.] flight to Mexico, scheduled to depart at 1730 Saturday.

However, a military source said that, possibly to prevent him from becoming the center of reporters' attention, a counter-order was issued, and he was flown to the United States from the military facilities at the Toncontin Airport. It is still not officially known if Col Said Speer will finally be transferred to Mexico as military attche as has been reported.

It is also unknown if other officers will be assigned to diplomatic posts, as there is great secrecy surrounding the changes taking place within the Armed Forces.

Colonel Roberto Nunez Montes confirmed at the Toncontin Military Airport last Saturday that he was ratified as head of the Army's Military Intelligence, G-2. Col Nunez Montes arrived at the Toncontin Airport last Saturday to personally witness the departure of his comrade-in-arms, Colonel Hector Aplicano Molina, as a diplomatic exile.

Col Nunez Montes was interviewed by reporters upon his arrival at the Toncontin Airport where he discreetly observed Col Hector Aplicano Molina's departure for Miami. Although Col Nunez Montes refused to make any statement to reporters and asked them not to take any pictures of him, he did confirm he has been ratified as commander of G-2.

Col Nunez Montes has not appeared in public since Deputy Rodolfo Zelaya of the National Party of Honduras publicly accused him of trying to take over his business of supplying the Nicaraguan contras.

The fact that Col Nunez Montes was ratified in his post confirms that the investigation conducted by a special Armed Forces commission regarding an attack on Deputy Rodolfo Zelaya's home showed he was not involved in that action.

NICARAGUA

NEWS CONFERENCE ON PLANE DOWNING, AMERICAN SPEAKS

PA080400 Managua Domestic Service in Spanish 2230 GMT 7 Oct 86

[News conference given in Managua by Lieutenant Colonel Roberto Calderon, chief of the 5th Military Region; Captain Ricardo Wheelock Roman, chief of the Military Intelligence Directorate; and Captain Rosa Pasos, chief of information of the Nicaraguan Defense Military -- live]

[Text] [Pasos] The newsmen who were summoned went to the area where the incident occurred in Rio San Juan Department on Sunday, 5 October. In view of demands from local and foreign newsmen, we decided to present Lieutenant Colonel Roberto Calderon, chief of the 5th Military Region, and Captain Ricardo Wheelock, both of whom will speak about what happened in that region. Later on, we will present to you the U.S. citizen who was captured so you can see him and ask Lt Col Calderon or Capt Wheelock any questions you have. Then, [as heard] Lt Calderon will explain what happened on Sunday, 5 October.

[Calderon] I am Lt Col Calderon of the 5th Military Region. The incident I will refer to occurred at approximately 1245 on 5 October 1986. At 1230 on that same day, the La Noca border post, located on the banks of the San Juan River, reported to our anti-aircraft defense unit that a camouflaged airplane of the Aviocar-type had violated our airspace. At the same time, the militia post at Los Chiles also reported this violation.

The 3d Company of the Gaspar Garcia Laviana Rapid Hunter Battalion, which is under the 55th Infantry Brigade, 5th Military Region and had been operating in the sector for approximately 1 month with the same plan [dispositivo], and in the pursuit of counterrevoutionary bands of that sector, sighted the plane and used a surface-to-air portable missile to down the aircraft.

[Pasos] From now on, Companera Kay will be translating for the newsmen who do not speak Spanish and (?would like to listen in) English.

[Calderon] At that time, the company reported the plane had been shot down in that sector and that one of the crew members had jumped out with a parachute. Momemts later, the plane was located and three bodies were found inside.

In a subsequent search on Monday, we captured a U.S. citizen who had jumped out of the plane with a parachute. He was captured at approximately 1200 on Monday, 6 October. This prisoner identified himself as Eugene Hasenfus.

We have here -- we will present it to you later so you can take all the photographs you want -- an identification card issued by the Salvadoran Air Force [FAS] signed by the FAS command, and valid for entering restricted areas of the Ilopango Military Base in El Salvador. This card identifies Eugene Hasenfus as a member of the U.S. group and his specialty as military adviser. The identification card was issued on 28 July 1986; it will expire on 28 January 1987. The number on it is 4122, and it is signed by Hasenfus.

According to preliminary statements by the prisoner, he has been in El Salvador since July of this year and has personally participated in four flights to carry supplies to the counterrevolutionary bands, flying from El Salvador along the Pacific coast of Nicaragua, entering Costa Rican territory, and then violating our border from south to north.

He also pointed out that in El Salvador they were directly attended to by General Bustillos, chief of the Salvadoran Air Force.

According to what he said, they had five planes at the Ilopango Military Base Airport. He said two of the planes were C-12's, similar to the one shot down; that the registration number of the plane shot down was C-24; and that the other plane of the same type bears regisration number C-825. He also said they have at the same military base in El Salvador a Cessna C-180 with registration number C-821, as well as two DHC-4 Caribou planes with registration numbers C-822 and C-823.

According to documents found at the crash site, the other two U.S. crewmen were William J. Cooper, a captain who carried an identification card from Cooper Air Transport Company [name as heard], which we will show you later. This company has been linked to the CIA by a number of U.S. media during the last few days. The prisoner identified Cooper as the pilot of the plane and also identified the copilot. The copilot carried an identification card issued by the Salvadoran Air Force, which described him as a U.S. military adviser.

[Companera Kay in English] They want you to spell his name.

[Calderon] All right, Wallace Blaine Fawger Jr.

[Companera Kay in English] It is mispelled on the card. It is spelled Cawger [as heard]

[Calderon] Mr Hasenfus identified the fourth crew member as being of Latin origin but did not give his name. Mr Hasenfus threw the packages out of the plane. The people who accompanied us to the crash site were able to see the armaments that were seized. Additional armaments were taken to San Carlos. We have found and counted approximately 70 AKM-type rifles manufactured -- according to their serial number -- in 1985. The serial number of this one is (FP28839).

We also seized about 100,000 magazines for AK's [type not specified], dozens of RPG-7 grenades, and approximately 150 pairs of military boots. Our troops are retrieving other military supplies from the crash site.

That is what I have to announce to you. We have many documents, and our specialized agencies are analyzing them, [words indistinct] the three U.S. citizens. These are personal documents, documents regarding airline companies, flight permits, and so forth. One of them, Mr Cooper, had an identity card belonging to Humberto P. Villalta, a frigate captain and commander in the Salvadoran National Navy. He also had a card from the Office of Humanitarian Aid to Nicaragua of the U.S. State Department belonging to the Coordinator of Operations (P. J. Pethler). He also had other documents from the U.S. communications office and a license to operate radiotelephones.

[Passos] Before introducing the captured U.S. citizen, we want to know if you have any questions for Lt Col Calderon?

[Reporter] We have some doubts and concerns. You said you found a document from the Office of Humanitarian Aid of the U.S. State Department. This morning, in several news dispatches my [name indistinct] denied there are any links with those people. You mentioned El Salvador. denied the captured man was a U.S. military adviser. According to AFP, the Salvadoran Army denied any ties with the downed airplane in [words indistinct]. The U.S. Embassy in El Salvador denied those charges. How are we to understand all of that, Lt Col Calderon?

[Calderon] Well, I am showing you the documents that were retrieved. One of them includes a card from the operations coordinator of the Office of Humanitarian Aid to Nicaragua. We are also showing you two official Salvadoran Air Force documents identifying the plane's copilot and the prisoner as belonging to the U.S....

[Companera Kay interrupting in English]...Military advisory group in El Salvador.

Calderon continuing] They said they were directly attended to by Salvadoran Air Force Commander General Juan Rafael Bustillo. He [words indistinct] El Salvador to supply the counterrevolutionary forces. We submit ourselves to the documentary proof we have.[Passage indistinct]

[Unidentified moderator repeating a reporter's question] What is the airplane's number?

[Calderon] It is a C-123 airplane. Its registration number is P-824 [as heard]. However, we have to analyze the debris in order to obtain more information.

[Reporter] Can you tell us if the captured person and the copilot had any special status [rango] in the Salvadoran or U.S. Armies.

[Calderon] We have learned from the documents they belonged to a [word indistinct] group in El Salvador, and that they were advisers. From our talks with the prisoner, we have learned he was in Vietnam. He was discharged in 1972. Cooper continued the work he performed in Vietnam and other countries until this year.

[Reporter] I would like to know what the fate of the prisoner will be?

[Calderon] That decision is up to the Nicaraguan Government. I cannot answer.

[Reporter] [Words indistinct] once more. Then none of the four people in question are active members of the U.S. Armed Forces, or are they? Second, can you tell us under what conditions the prisoner made those statements to you.

[Calderon] Well, I only repeat what I said: We have two Salvadoran Air Force identification cars that indicate the men are members of the U.S. group in El Salvador and that they are pilots. Also, the conditions under which the prisoner talked with me were the same as during the conversation we are holding with you.

[Reporter] We would like to have the opportunity to take some pictures of the documents -- that is, closer shots.

[Calderon] Yes, yes, yes; later, later. I will let you do this later.

[Reporter] Referring to the [words indistinct] and information you have about this incident, what news [corrects herself] ...what agency within the U.S. Government sponsored the flight? Have you found specific evidence concerning this? What is the exact [words indistinct] that you have about this evidence?

[Calderon] Well, I have no doubt that all those logistical flights supporting the counterrevolution come from the U.S. Government, which discusses in its Congress $100 million in aid for the counterrevolutionaries. That government uses the CIA to make all the necessary connections for this logistical support to the counterrevolutionary bands.

[Reporter] Captain [as heard], you reported some months ago there had been a lot of flights coming from Costa Rica. Could you explain your viewpoint about the role of the Salvadoran Air Force and Navy in these flights coming from Costa Rica? Do those flights always come through Costa Rican territory or not?

[Calderon] The information we have over the last 3 months reveals that approximately 15 flights coming from Costa Rican territory have violated our airspace. We know that the counterrevolution [corrects himself]... that the CIA has been operating from El Salvador through the counterrevolutionary forces, and has entered from the south to supply the counterrevolutionary forces located in that region. Likewise, they have used Honduran territory to send supplies when -- because of the distance -- it is easier to operate from north to south.

[Reporter] [Words indistinct] this case you mention Commander Humberto Villalta's identity card. Is this a business card, a personal card, or an official document?

[Caledron] No. We are talking about a business card from Humberto Villalta, who is not a salesman.

[Reporter] [Question indistinct]

[Calderon] Well, as far as we know, these have been flights for sending supplies.

[Pasos] We will now bring in the captured North American. He will state his name.

[Hasenfus in English] My name is Eugene Hasenfus and I come from Marinette, Wisconsin.

[Reporter] When were you captured?

[Hasenfus in English] I was captured yesterday.

[Reporter] [Words indistinct]

[Hasenfus in English] In southern Nicaragua. Thank you.

[Unidentified moderator] The reporters are complaining. The U.S. reporters have never shouted at President Reagan in this manner, but they feel they can come here and shout at whomever they please.

[Pasos] Lt Col Calderon will continue with his explanations. You will be allowed to ask questions of the prisoner after the investigation has been completed.

[Unidentified moderator] They are asking a question in English.

[Reporter in English] Where are the cadavers of the men who died in the crash?

[Calderon] This afternoon we are evacuating all the remains, including the bodies, from the crash.

[Kay in English] She asked me if the bodies will be returned to the States. [as heard]

[Calderon] That decision will have to be made by the government.

[Reporter] [Words indistinct] what group they belong to and what sort of activities have they carried out recently? Would you please spell Blaine's surname again?

[Kay] Sawyer.

[Calderon] There are some FDN and UNO [Nicaraguan Opposition Unity] and UNO-FARN [Revolutionary Armed Forces of Nicaragua] groups operating in the area. The groups are about the size of a task force. The FARN groups have infiltrated from Costa Rica and the FDN groups have carried out some ambushes on the roads.

[Reporter] In view of the fact that a U.S. citizen has been captured, have there been any diplomatic negotiations between Nicaragua and the United States? Also, what do you plan to do with the captured man?

[Caledron indistinct]

[Companera Kay in English] The question was whether diplomatic gestures have been made regarding the two Americans killed, and the one captured, and he has said: I am not aware of that activity being carried out by the Foreign Ministry or Ministry of Defense.

[Reporter] Capt Wheelock, on several occasions the Sandinist government has mentioned the growing direct involvement of U.S. soldiers in the Central America war, especially in Nicaragua. A few days ago, two U.S. citizens were killed, and for the first time, a U.S. military adviser has been captured in Nicaraguan territory. In view of those overall plans for greater participation by U.S. soldiers in the war, what is your opinion?

[Wheelock] It is interesting to see the crew of the plane is made up of men who are not Nicaraguans. We also have information regarding the fact that the crews in El Salvador are composed of Filipinos and some Rhodesians. That is the supply crew the FDN is using. In other words, they are the U.S. counterrevolutionary forces. This means that, increasingly, both in an indirect and direct manner, they are supporting the FDN forces. The proofs presented by Lt Col Calderon speak for themselves. They prove the involvement of the Salvadoran Army.

[Reporter] [Question indistinct]

[Wheelock] This simply means the triumph Nicaraguan people and the defeat of anyone who may dare come to this country to fight against the revolutionary power. Triumph on our part, and death on theirs.

[Pasos] Thank you for coming.

Survivor To Face 'Interrogation'

PA071544 Buenos Aires REUTER in Spanish 1456 GMT 7 Oct 86

[By Agustin Fuentes]

[Excerpts] Managua, 7 Oct (REUTER) -- An American captured in Nicaragua after the downing of an airplane, which according to an official communique issued by the Defense Ministry was to supply forces attempting to overthrow the Sandinist government, is being transferred today to Managua for interrogation, military sources have reported.

The man, who according to the communique issued last night was identified by the authorities as Eugene Hasenfus, a 35 year-old U.S. national and military adviser in El Salvador, survived by parachuting out after the plane was hit by surface-to-air missiles. This was reported today by the pro-government daily EL NUEVO DIARIO.

According to the official report, Hasenfus said that the other three crew members, who died in the crash, were also American citizens. [passage omitted]

The Nicaraguan official government newspaper BARRICADA, which this morning carried the story under banner headlines, said that what happened "is evidence of the open U.S. participation in the war of aggression against Nicaragua."

Meanwhile, diplomatic observers here have attributed great importance to the news, stating that it might have repercussions both in the U.S. Congress and on the Reagan-Gorbachev talks to take place this coming weekend in Iceland, where the two leaders will discuss regional conflicts.

If it is confirmed that the captured American is in fact a U.S. military adviser serving in El Salvador, this will also have repercussions on U.S. aid to El Salvador, the observers believe.

The U.S. military advisers in that country are not allowed to participate in operations in war zones in that country and, least of all, to take part in operations outside Salvadoran territory. [passage omitted]

Approached this morning, U.S. Embassy spokesman in Managua, Alberto Fernandez, said that "so far, there is no comment." "No comments," [preceding words in English] he repeated, in English. Asked whether the Nicaraguan Government has informed the embassy, he replied: "Formally, not yet. We are sending a note to the Nicaraguan Foreign Ministry [words indistinct].

Two Dead Americans Identified

PA072341 Panama City ACAN in Spanish 2312 GMT 7 Oct 86

[Text] Managua, 7 Oct (ACAN-EFE) -- La Voz de Nicaragua, the government radio station, reported today that the two Americans who died when their plane was shot down by Sandinist troops in the southeastern sector of the country have been identified as Wallace Baliner [spelling as received] and Bill Cooper.

A third dead man, a crewmember of the plane hit by the surface-to-air missiles, was a Nicaraguan citizen. The radio station added that he has not yet been identified.

A La Voz de Nicaragua reporter who visited the site of the crash -- the plane was probably a C-123 -- said that the left part of the plane was burned and that the marking "N-4" was legible. On the right side of the plane another marking could be read: "USA-4067."

The Sandinist soldier who fired the surface-to-air missile at the plane, which was violating Nicaraguan air space, said that the plane had been overflying the area of El Tule, Rio San Juan Department, on the Costa Rican border for the past 4 days.

The soldier, whose last name is Canales, said that the plane was carrying military supplies for the anti-Sandinists when it was shot down.

Lieutenant Colonel Roberto Calderon presented Eugene Hasenfus to reporters in the Tule River sector. Hasenfus is from Wisconsin. He was captured on Monday, 1 day after the plane was downed. The correspondent of the station did not give further details on the identity of the other two Americans killed in the action. It was reported that the Sandinist government will present Hasenfus to the media in the next few hours.

Last night, the Defense Ministry said that three Americans were killed, but that the information would be confirmed today.

COMMUNIQUE TRANSFERS PARRALES, TUNNERMAN AT OAS

PA071527 Managua BARRICADA in Spanish 6 Oct 86 p 1

[Communique No 31 issued by the Information and Press Directorate of the Presidency of the Republic on 6 October 1986]

[Text] The Information and Press Directorate of the Presidency of the Republic informs the people that:

1. Companero Edgard Parrales, who was ambassador to the OAS, will be transferred to another post.

2. Companero Carlos Tunnerman, the currnt ambassador to the United States, will also represent our country at the OAS.

Managua, 6 October 1986. "Twenty-five years later, all weapons against aggression."

NUNEZ HEADS DELEGATION TO ARGENTINE IPU SESSION

PA071515 Managua BARRICADA in Spanish 5 Oct 86 p 1

[Text] Commander of the Revolution and President of the National Assembly, Carlos Nunez Tellez, will head the parliamentary delegation representing Nicaragua at the 76th world Interparliamentarian Union. He departed at noon yesterday for Buenos Aires, Argentina, where the conclave is scheduled for 6-11 October.

Also on board the 19 July - YN-BPR plane [as published] were Rafael Solis Cerda, secretary of the National Assembly, representing the FSLN; Domingo Sanchez, second secretary of the National Assembly, representing the Nicaraguan Socialist Party; Ray Hooker, president of the National Assembly's Foreign Affair Commission, representing the FSLN; and Maria Lourdes, who is the delegation's adviser and technical secretary of the Nicaraguan National Interparliamentarian Group.

Other members of the mission are Carlos Alonso, the PLI [Independent Liberal Party] delegate; Gerardo Alfaro, representing the PCDN [Democratic Conservative Party of Nicaragua], and FSLN representative Angela Rosa Acevedo, who are already in Argentina.

At the conclave, the Nicaraguan delegation will make a presentation entitled "The Parliaments' Contributions to the Defense and Preservation of the International Juridical Order and International Law, Particularly Concerning the International Court of Justice's Jurisdiction and Competence."

U.S. 'ESCALATES AGGRESSION' AGAINST NICARAGUA

FL080156 Havana Television Service in Spanish 0000 GMT 8 Oct 86

[Excerpt] The escalation of U.S. aggression against the Sandinist Revolution has once again been demonstrated by the U.S. sending personnel and weapons to the counterrevolutionary bands operating in Nicaraguan territory.

Despite U.S. attempts to deny its participation in those actions, the shooting down of a U.S. cargo plane in the southern part of the Central American country by the Sandinist Peoples' Army demonstrates this.

The Nicaraguan Foreign Ministry officially reported that yesterday a C-123 twin engine plane was shot down. The plane was manufactured in the United States and was transporting ammunition and war equipment for the Somozists. [passage omitted]

ANTI-DUVALIER LEADER REPORTED SHOT DEAD

FL071333 Havana Tele-rebelde Network in Spanish 1100 GMT 7 Oct 86

[Text] Yesterday the Haitan police shot dead the prominent anti-Duvalier politician Jean Madicon at the southern city of Les Cayes, where people were holding demonstrations against the governing junta.

Hundreds of people marched to protest Madicon's death. He was shot in his right temple while chatting with friends at a restaurant. Madicon was a very popular political leader during the mass demonstrations that resulted in the ousting of Jean-Claude Duvalier's dictatorship last February.

HAITIAN LEADER REPORTED ALIVE, UNDER DETENTION

FL072334 Havana Radio Rebelde Network in Spanish 2300 GMT 7 Oct 86

[Text] The latest reports from Port-au-Prince, Haiti, indicate that opposition leader Jean Madicon, attacked by Armed Forces gunfire in the city of Les Cayes is being detained in a barracks and is wounded.

News agency reports say the Les Cayes population has been maintaining viligance over the barracks since last night, demanding the release of Madicon, who was said to have been shot in the temple.

Madicon's wife, (Adolimpia), was allowed to take him food and gather his bloody clothing, but she was prohibited from seeing him.

U.S. LAUNCHES LIBYAN 'DISINFORMATION CAMPAIGN'

PA071520 Havana International Service in Spanish 2300 GMT 4 Oct 86

["Note" feature read by Miguel Cabrera]

[Text] After having bombed the Libyan cities of Tripoli and Banghazi and having carried out a series of diplomatic and commercial activities against the government of Mu'ammar al-Qadhdhafi, President Ronald Reagan approved a plan prepared by the national security adviser, John Poindexter, that included a large campaign of disinformation on Libya using the U.S. press.

A few days ago, THE WASHINGTON POST published details about the plan that unleashed a wave of protests among the U.S. information media. In addition, THE WASHINGTON POST, THE NEW YORK TIMES, and THE LOS ANGELES TIMES described as despicable the government plans to create an atmosphere of tension in Libya by circulating false reports on an alleged coup d'etat in that country and the possibility of a new U.S. military attack.

An unmistakable sign of this White House campaign was the statement made in August by the daily of the Yankee financiers, the well-known WALL STREET JOURNAL, to the effect that the United States and Libya were heading for a collision. The destabilization plan against the Arab country required -- according to THE WASHINGTON POST charges -- a series of closely coordinated events, including covert, diplomatic, military, and public actions. The anti-Libya virulence would then be increased with real and illusionary events through a disinformation plan, the influential Washington D.C. daily pointed out.

Although the Reagan administration was quick to say that the report appearing in THE WALL STREET JOURNAL was not authorized by the White House, there are several details that point to the contrary. If Ronald Reagan was capable of ordering the criminal bombings in April against heavily populated areas of Libya that led to tens of civilian deaths and casualties and that were specifically for the purpose of murdering Mu'ammar al-Qadhdhafi, no one should have any doubts about this meddling and illegal plan.

Learning of the statements by U.S. Secretary of State George Shultz strengthens the idea that if Ronald Reagan authorized the anti-Libya program in order for the press to pick it up -- and particularly THE WASHINGTON POST. Moreover, George Shultz certainly said during a White House meeting that the Libyan leader should be contaminated with the AIDS virus in order to prevent him -- he said -- from creating new problems in the Middle East. Nothing more is needed to clearly establish the lack of decency and scruples that prevails among the cabinet members of President Ronald Reagan.

COMMENTARY ON IMPORTANCE OF FOREIGN DEBT ISSUE

PA070435 Havana International Service in Spanish 0000 GMT 7 Oct 86

["Viewpoint" commentary read by Angel Hernandez]

[Text] The elimination of the Third World foreign debt represents a fundamental step toward securing peace and the economic development of the poor nations. No one any longer believes that it is possible to make advances in social fields when the Third World has a debt of more than $900 billion, according to data from Western financial organizations. The inclusion of the foreign debt issue in the debates of the UN General Assembly once again has served to ratify that the issue is internationally important.

As Uruguayan Foreign Minister Enrique Iglesias said a few hours ago, the discussion at the United Nations makes the issue more visible and helps people to understand its financial, commercial, and, especially, developmental importance. Iglesias said in this regard: It would be a mistake to believe that the matter has been resolved. The fall in oil prices has contributed to the foreign debt increase, and in particular to the oil exporting countries.

Latin America -- the region with the largest debt -- dedicates 4 percent of its GNP to pay the interest on the debt, which already amounts to $400 billion. The developed capitalist countries have promoted policies that caused this situation. Present situations not only make payment of the debt impossible, they also defeat attempts to promote the region's precarious economy. Practices such as dumping; protectionism; subsidies by capitalist powers to make their products cheaper to displace traditional exporters of raw material from ther markets; and fluctuations and manipulations that affect the value of the most important Western currencies; negatively affect the poor nations and increase their foreign debt.

The way the imperialist financial groups -- the IMF and the World Bank -- try to palliate the debt problem is well-known. Their formulas for getting paid the largest possible sum are to reduce salaries, reduce imports of items vital for the people, increase the privatization of the economy, and to apply other rules, the violation of which are punished with the suspension of credits and financial aid.,

The interest on the debt remains extremely high. If we add to this the increasingly high prices of the industrialized products the West sells and the decreasing value of the raw materials and other exports, generally speaking, of the Third World, we can get an idea of the economic situation of more than 100 countries of Asia, Africa, and Latin America.

The recent, unsuccessful joint meeting of the World Bank and the IMF made the importance of the foreign debt issue evident. The leaders of the Western financial world are trying to find, in and out of those organizations, an escape valve for a crisis that can become very explosive, because it is a known fact that there is nothing that spurs rebellion more than hunger and misery -- consequences of the imperialist actions in the economic area.

This is why it is most important that the region debt issue be discussed at the UN General Assembly.

USSR, FRANCE SIGN JOINT OCEAN-PORT CONTRACTS

FL072004 Havana Radio Progreso Network in Spanish 1100 GMT 7 Oct 86

[Text] Cuba has signed three important contracts for the construction of a base for supertanker ships in Matanzas Baya, equipped to handle oil tankers of 100,000 tons or more, and to supply the Nico Lopez Refinery and the Este Thermoelectrical Plant in Havana, as well as the Cienfuegos Refinery, through an oil pipeline.

The contracts were agreed upon by enterprises from Cuba, the USSR, and France, which will participate in this great ocean-port project.

CUBAN, SPANISH TRANSPORTATION MINISTERS MEET

FL070140 Havana Television Service in Spanish 0000 GMT 7 Oct 86

[Text] Cuban Transportation Minister Diocles Torralba has held talks in Madrid with his Spanish counterpart, Abel Caballero Alvarez.

During the meeting, Torralba invited Caballero Alvarez to visit our country and recognized the development of relations between the two organisms, especially Spanish support in constructing ships for Cuba.

CASTRO ATTENDS SFRY ENVOY'S FAREWELL RECEPTION

LD071010 Belgrade TANJUG Domestic Service in Serbo-Croatian 0824 GMT 7 Oct 86

[Text] Havana, 7 Oct (TANJUG) -- Fidel Castro Ruz, president of the Councils of State and the Ministers, attended a formal reception at the Yugoslav ambassador's residence in Havana on the occasion of a farewell for Ambassador Ronald Strelec.

Also at the reception were other high-ranking Cuban leaders, including Carlos Rafael Rodriguez Rodriguez, vice president of the Councils of State and Ministers, Carlos Lage Davila, member of the Cuban Communist Party Central Committee, Ricardo Cabrisas Ruiz, minister of foreign trade, and others.

At the end of his 4-year mission, Ambassador Strelec was received on his farewell visit by General Juan Almeida Bosque and by Carlos Rafael Rodriguez Rodriguez, vice president of the Councils of State and Ministers.

BALAGUER LINKS UNIDENTIFIED OFFICIALS TO DRUGS

FL1041340 Santo Domingo Cadena Brea Pena Network in Spanish 1125 GMT 4 Oct 86

[Excerpts] The president of the republic [Joaquin Balaguer] said that even though state organizations have not had anything to do with drug trafficking, some government members are involved in this illegal activity, but that it has not yet been possible to identify them.

Dr Joaquin Balaguer's statements were made during a press conference held on the second floor of the national palace with the reporters assigned to the government house.

[Begin recording] It is evident that there is drug trafficking here that requires the complicity of someone in authority, which is contrary to the [words indistinct] the problem. [end recording]

The president said authorities are trying to identify the officials who have secret negotiations with drug traffickers from other countries. Dr Balaguer said drug use has increased during the past few years in the country, especially during the past 2 years, and he recalled cases of former military leaders linked to the illegal activity throughout the world. [passage omitted]

The chief of state said special tribunals familiar with the drug trafficking problem should be created because positive results can be achieved through the ordinary judicial system.

Dr Balaguer recognized the efforts made by the past government administration in checking drug trafficking.

TORRES SAYS BLANCO SHOULD NOT BE PROSECUTED

FL040213 Santo Domingo LISTIN DIARIO in Spanish 28 Sep 86 p 2

[Excerpt] The Administrative Secretary to the President, Gloris Consuelo Torres (Minu), said yesterday that, by virtue of being a former president of the republic, Dr Salvador Jorge Blanco should not be prosecuted, and that, with respect to his former collaborators who are charged with corruption, the judicial system will decide what is fitting.

Referring to the case of Dr Jorge Blanco, the official said that, although he is also a problem for the judicial system, her judgement was that he should not be turned over to the courts. "Jorge Blanco, above all, is a former president, and that has to be taken into consideration," stated the administrative secretary to the president. [passage omitted]

BRUNSWIJK TAKES HOSTAGES; DESTROYS BUILDINGS

FL072100 Paramaribo International Service in English 1730 GMT 7 Oct 86

[Text] In activities over the last weekend, the Brunswijk gang has taken five workers of the (?Oil Palm) Company at Patamacca hostage, and left in its trail damages which run into millions of guilders.

From last Saturday afternoon until this morning, members of the gang were busy setting fires. Reports reaching our newsroom said so far the post office, the police outpost, the company's offices, the branch of the Civil Registration Department of the government, ten houses, and a barn were completely destroyed. Also an emplacement with motor oil, gas, and generators were also destroyed.

Last Saturday afternoon, staff members of the company Sanchez and (Arrelum) were taken by armed men. It is also suspected that supervisors of the company of (Huster), Stone, (Berenstein), and Phillip were taken hostage.

RADHAKISHUN, DUTCH OFFICIAL DISCUSS BRUNSWIJK

FL1062112 Paramaribo International Service in English 1730 GMT 6 Oct 86

[Text] The Dutch charge d'affaires in Suriname, Mr. (Roda), was summoned to a meeting with Prime Minister Pretaap Radhakishun on Friday last [3 October]. During the meeting, (Roda) was asked to bring to the attention of the Dutch Government damaging information against the Government of Suriname in relation to the Brunswijk issue.

The prime minister expressed his concern over the enforcement of persons with Dutch nationality or persons living in Holland in the activities of the Brunswijk Group.

The prime minister said this could have a very negative influence on the relations between the Government of Suriname and Government of the Kingdom of the Netherlands.